

AN ACT

relating to the calculation of interest on certain ad valorem tax refunds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 42.43(b), Tax Code, is amended to read as follows:

(b) For a refund made under this section [~~because an exemption under Section 11.20 that was denied by the chief appraiser or appraisal review board is granted~~], the taxing unit shall include with the refund interest on the amount refunded calculated at an annual rate that is equal to the sum of two percent and the most recent prime rate quoted and [~~auction average rate quoted on a bank discount basis for three-month treasury bills issued by the United States government, as~~] published by the Federal Reserve Board as of the first day of the month in which the refund is made [~~for the week in which the taxes became delinquent~~], but not more than a total of eight [~~10~~] percent, calculated from the delinquency date for the taxes until the date the refund is made. [~~For any other refund made under this section, the taxing unit shall include with the refund interest on the amount refunded at an annual rate of eight percent, calculated from the delinquency date for the taxes until the date the refund is made.~~]

SECTION 2. The change in law made by this Act applies only to the rate of interest on a tax refund that is made following an

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1 appeal that is filed on or after the effective date of this Act. The
2 rate of interest on a tax refund that is made following an appeal
3 that is filed before the effective date of this Act is determined by
4 the law in effect when the appeal is filed, and that law is
5 continued in effect for that purpose.

6 SECTION 3. This Act takes effect September 1, 2011.

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David Dewhurst

President of the Senate

Joe Straus

Speaker of the House

I certify that H.B. No. 1090 was passed by the House on May 5, 2011, by the following vote: Yeas 146, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1090 on May 25, 2011, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 1090 was passed by the Senate, with amendments, on May 23, 2011, by the following vote: Yeas 31, Nays 0.

Daisy Spaw

Secretary of the Senate

APPROVED:

17 Jun '11

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4 pm O'CLOCK

JUN 17 2011

Cheryl M. Edwards

Secretary of State